

WAUKEGAN
PORT DISTRICT
AIRPORT • MARINA • PORT

January 29, 2019

Ms. Jan Pels
USEPA Region V
77 West Jackson Boulevard
Mail Code SE-7J
Chicago, IL 60604-3507

Dear Ms. Pels,

Enclosed is the Waukegan Port District's (WPD's) \$800,000 **Brownfield Multipurpose Grant Application**.

The Waukegan Port District is a political subdivision within the limits of the City of Waukegan. It is responsible for control and operation of the Waukegan National Airport, Waukegan Harbor and Marina, and the Port of Waukegan. Although it once bustled with jobs from industrial processing and material development, production activity has decreased in recent decades. This decline led to plant closures, employment loss for residents, and increasing poverty rates that have strongly impacted the local economy. Furthermore, industrial land use left behind a legacy of extensive contamination along the lakefront. The high percentage of citizens living below the poverty line and disproportionate number of Brownfield and Superfund sites within the City's municipal boundary combined with the large minority population who call Waukegan home make it one of the few Environmental Justice Communities remaining in Lake County.

This grant funding will focus on the assessment and cleanup of Brownfield sites within the Port District's Harbor. Improvements at the Harbor will address the ongoing issues related to a past orphan site release of diesel from railyards directly to the west of the project area, which has since migrated onto Port District Property. Assessment and remediation activities include developing a cleanup plan and a vertical spill migration barrier, the demolition of existing buildings, the removal and disposal of contaminated water and soil, and the development of a vapor barrier plan for new buildings. Improvements made to the Harbor will contribute to the existing 2017 Waukegan Port District Master Plan and enhance the economic viability of the waterfront.

1. Applicant Identification

Waukegan Port District, 55 South Harbor Place, Waukegan, IL 60085

2. Funding Requested

a. Grant Type: Multipurpose

b. Federal Funds Requested: \$800,000

c. Contamination: Comingled Hazardous and Petroleum Substances. The Waukegan Port District is requesting \$600,000 in Hazardous Substance funding and \$200,000 in Petroleum Substance funding.

3. Location: City of Waukegan, County of Lake, State of Illinois

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4. Contacts

Project Director:

Joe Seidelmann, Harbormaster
Waukegan Harbor
55 South Harbor Place
Waukegan, IL, 60085
Telephone: (847) 244-3133
Email: jseidelmann@waukeganport.com

Highest Ranking Elected Official:

Grant Farrell, Chairman of the Board
Waukegan Port District
55 South Harbor Place
Waukegan, IL, 60085
Telephone: (847) 244-3133
Email: gfarrell@waukeganport.com

5. Population

Population of Waukegan, IL: 87,729

6. Other Factors Checklist:

Other Factors	Page #
Community population is 10,000 or less.	NA
The applicant is, or will assist, a federally recognized Indian tribe or United States territory.	NA
The priority brownfield site(s) is impacted by mine-scarred land.	NA
The priority site(s) is adjacent to a body of water (i.e., the border of the priority site(s) is contiguous or partially contiguous to the body of water, or would be contiguous or partially contiguous with a body of water but for a street, road, or other public thoroughfare separating them).	Page 2
The priority site(s) is in a federally designated flood plain.	NA
The redevelopment of the priority site(s) will facilitate renewable energy from wind, solar, or geothermal energy; or any energy efficiency improvement projects.	NA
At least 20% of the overall project budget will be spent on eligible site reuse or area-wide planning activities for priority brownfield site(s) within the target area.	Page 10

7. Letter from the State: Attached

Thank you for your consideration of the Waukegan Port District's Multipurpose Grant Application.

Sincerely,



Grant Farrell
Chairman of the Board
Waukegan Port District



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 • (217) 782-3397

JB PRITZKER, GOVERNOR

JOHN J. KIM, ACTING DIRECTOR

January 22, 2019

Waukegan Port District
Attn: Joe Seidelmann
Harbormaster, Waukegan Harbor
55 South Harbor Place
Waukegan, IL, 60085

Dear Mr. Seidelmann:

The Illinois Environmental Protection Agency (Illinois EPA) has received your request for a letter of acknowledgement for an upcoming Brownfields Multipurpose Assessment & Cleanup Grant to U.S. EPA. The Waukegan Port District is applying for a \$800,000 Brownfields Multipurpose Assessment & Cleanup Grant, which will include \$400,000 for sites contaminated by hazardous substances and \$400,000 for petroleum contaminated sites.

Once the Waukegan Port District identifies specific properties in the target area(s) potentially contaminated with petroleum, it will seek petroleum eligibility determinations from Illinois EPA as applicable before conducting site-specific assessments.

Illinois EPA acknowledges the Waukegan Port District efforts to obtain federal Brownfields funds for this project. If you have any questions, please contact me at (217) 524-2084 or by email at jenessa.n.conner@illinois.gov.

Sincerely,

A handwritten signature in black ink that reads "Jenessa Conner".

Jenessa Conner, Project Manager
Voluntary Site Remediation Unit
Remedial Project Management Section
Division of Remediation Management
Bureau of Land

c: Matt Didier – U.S. EPA Region 5

MULTIPURPOSE GRANT

IV.E. NARRATIVE / RANKING CRITERIA

1. PROJECT AREA DESCRIPTION AND PLANS FOR REVITALIZATION (30 Points)

1.a Target Area and Brownfields (12 Points)

1.a.i Background and Description of Target Area (6 Points)

The Waukegan Port District is a political subdivision within the limits of the City of Waukegan. It is responsible for control and operation of the Waukegan National Airport, Waukegan Harbor and Marina, and the Port of Waukegan. The City is located along the shoreline of Lake Michigan in the northeast section of Lake County, Illinois. Although it once bustled with jobs from industrial processing and material development, over the last several decades lakefront industrial activity has drastically declined; leading to plant closures, lower income, higher unemployment, and an overall drop in Waukegan tax base which has significantly impacted the ability to attract new businesses. The US Census Bureau estimates that the City of Waukegan's total population in 2017 was 87,729, which is a 1.5% decrease from its 2010 population of 89,078. The 2013-2017 census estimates that 21.1% of the population below the age of 65 don't have health insurance and that 17.8% of people live below the poverty line. Furthermore, over 100 years of industrial use has left behind a legacy of extensive contamination along the Harbor and lakefront (see **Figure 1**). The above average percentage of citizens living below the poverty line and disproportionate number of Brownfield and Superfund sites within the City's municipal boundary, combined with the significant minority population who call Waukegan home make it one of the few Environmental Justice Communities remaining in Lake County.

Figure 1: Acres of Lakefront Brownfield Contamination in Waukegan

Overall Waukegan Lakefront Acreage: Approx. 1,330 acres		
North Lakefront: 810 Acres		
Harbor/South Lakefront: 520 Acres		
Specific Brownfield Sites	Acres	% of Lakefront Land
Former OMC/Johnson Motor Plant 1	14	1.05%
Johns-Manville Superfund	150	11.28%
North Shore Gas North MGP Plant	16	1.20%
North Shore Gas South MGP Plant	25	1.88%
OMC Plant 2 Superfund	80	6.02%
Slip 3 PCB Containment Cell	2	0.15%
Former Coke Plant Site Superfund	20	1.50%
ComEd/Former Greiss-Pfleger Tannery	38	2.86%
Abbott Landfill	13	0.98%
Lakeshore Foundry	2	0.15%
Diamond Scrapyard	17	1.28%
*Former Fansteel	11	0.83%
EJ&E RR	19	1.43%
Former Roundhouse RR Location	2	0.15%
Total	409	30.75%

Data are from the Bureau of Labor Statistics and are available at www.bls.gov

Throughout the first half of the 20th century, the City of Waukegan Harbor attracted substantial industry along the lakefront, including foundries and plating shops, lumber yards, tanneries, coal and fuel storage, wire mills, paint plants, roofing material processes, wall board, fire proofing, creosoting and galvanizing plants, and chemical formulating/pharmaceutical creation. These raw materials were processed prior to the development of environmental regulations and standards. While this industry provided important jobs, they also left behind an environmental legacy of soil and groundwater contamination across much of the Harborfront.

In recent years the cleanup of the Waukegan Harbor Area of Concern (AOC) has received national support and extensive remediation in the form of Superfund and Great Lakes Legacy Act Funds which addressed PCB sediment contamination within the Harbor itself. Soil, harbor sediment, and local groundwater contaminated with PCBs associated with the Outboard Marine Corp. Superfund Site have been remediated by consolidating and capping contaminated material, by using aerobic bacterial reactors to digest organic chemical contaminants in groundwater, and by hauling contamination to licensed landfills under EPA oversight. All affected properties, including those under Port District authority, are routinely monitored and pose no risk to development efforts. In June of 2017, the Waukegan Port District adopted the Harbor Master Plan, which shines a light on the importance of remediating and reclaiming adjacent and neighboring Harbor properties, many of which are considered undevelopable due to uncertain or unacceptable environmental business risks.

1.a.ii. Description of Priority Brownfield Site(s) (6 Points)

The Port District's Harbor Properties are bounded to the east by Waukegan Harbor. LaFarge North America and multiple Marine-owned warehouses bound the property to the north. The property is bounded to the east by Pershing Road and the Elgin, Joliet and Eastern (now CN RR) railroad tracks and right-of-way (ROW). The Site is bounded to the south by Lake Michigan shoreline. The Brownfield grant request will NOT be utilized to address any of the contamination originating from the NSG SOUTH MGP Site as it is subject to a consent order through potentially responsible party (PRP) actions under federal and state oversight. Therefore, we have excluded Port District properties in this grant application that overlay the MGP Site contamination plume.

The Sites applying for the Brownfield Multipurpose Grant include the properties bordering or near Waukegan Harbor in Waukegan, Lake County, Illinois 60085. They are located within highly recreational and marina-use area of Waukegan Harbor. Residential use has not yet been established in this area but is a near-term goal of the Port District once these former industrial sites are prepared for re-use. The Port District's Harbor Master Plan envisions multi-use residential and commercial buildings, recreational spaces, and conservation areas throughout the lakefront including this target property. The Port District's goal is for these properties to be assessed, remediated, and revitalized from post-industrial-use conditions so that they can contribute to Harbor redevelopment efforts. Reviving the subject property for Lakefront, residential, and open space redevelopment will help attract public users to achieve the Master Plan goals by creating homes, businesses, recreation, and entertainment for the public. The properties described above will be subject to Phase I All Appropriate Inquiry and Phase II Environmental Assessments under the grant. These assessments will remove development uncertainty and define legacy environmental conditions along the Waukegan Harbor. Recall that from the early 1900's to the 1970s, the harbor area was full of fuel storage,

brass foundries, and similar small manufacturing facilities that operated before environmental regulations were in place.

The brownfield at 24 East Water Street, Waukegan Illinois is a 1.1-acre property that lies just north of the Waukegan River. The Port District acquired the former auto scrap yard in 2017 and conducted all appropriate inquiry environmental due diligence reviews, including a Phase I ESA which established the Port District as a bona fide prospective purchaser. Prior site investigation revealed that a past release of diesel and railyard waste from a neighboring orphan site had migrated onto Port District property, including the lot at 24 East Water Street. In addition to impeding efforts to develop the Waukegan lakefront, there is concern that the mobilized pollutants could potentially migrate into the Harbor. Waukegan Harbor has a history of environmental impact. Although the Harbor-related Superfund Sites have since been remediated, lingering negative perceptions of the area have continuously deterred developer investment in lakefront Port District properties. If pollutants successfully migrate, there will be detrimental environmental impacts, more extensive remediation will be needed, and negative perceptions will increase. Ultimately, these deleterious effects will impede efforts to revitalize the entirety of the Port District's lakefront properties. The Waukegan Port District will utilize Brownfield Grant funding to cleanup petroleum contamination on its 24 East Water St. property to prevent contaminant migration, reduce negative public perception, and advance revitalization efforts at Waukegan Harbor.

1.b Revitalization of the Target Area (10 Points)

1.b.i. Overall Plan for Revitalization (5 Points)

Overall plans for the revitalization of Waukegan Port District Harbor properties include the 2003 City of Waukegan Downtown Lakefront Master Plan and the 2017 Waukegan Port District Waukegan Harbor Master Plan. The Waukegan Harbor Master Plan identifies the location of brownfield properties owned by the Waukegan Port District, lists each site's recognized environmental concerns, provides redevelopment considerations, and illustrates three detailed alternative plans for property redevelopment. Common program elements retained by all three of the Master Plan alternatives include a waterfront hotel and conference center, improved parking, residential development, improved pedestrian connections from downtown to the marina, a continuous waterfront promenade, and improvements to the Waukegan River corridor, which flows into the Harbor. The Lakefront and Harbor plans strongly agree on the need for Harborfront property remediation and share the overarching goals of revitalizing the Waukegan community by creating economic opportunities, encouraging developer investment, cleaning existing contamination, and preventing future pollution in the Waukegan Port District. Together, the Master Plans provide the framework that will make the Port District a major economic driver for the City of Waukegan. Specific tasks that will lead to this revitalization at each site include:

- Conducting Phase I & II ESAs on Port District owned properties located outside of the NSG SOUTH PLANT MGP plume. This will remove environmental business risk and environmental uncertainty related to Harbor Front development and investment. Please see the link to the Port District's [Waukegan Harbor Master Plan](https://waukeganharbor.com/wp-content/uploads/170630-Waukegan-Harbor-Master-Plan.pdf) to identify the various property parcels. <https://waukeganharbor.com/wp-content/uploads/170630-Waukegan-Harbor-Master-Plan.pdf>
- Conducting a petroleum cleanup at the 24 E. Water St. property (now owned by the Port District). Cleanup will include management and disposal of contaminated soil and groundwater as well as exposure pathway control through installation of engineered

barriers, installation of vapor intrusion barriers, and implementation of institutional controls.

1.b.ii. Outcomes and Benefits of Overall Plan for Revitalization (5 Points)

The primary goal of the Waukegan Port District's Brownfield Multipurpose Grant is to remove environmental uncertainty from their target area and to implement a cleanup on a key Port-owned gateway site. With this necessary funding from the USEPA, they will continue to "set the table" for the City's and Port District's Master Plans and, in the process, attract private sector investment that will transform the lakefront. These plans provide a detailed roadmap to guide the Port District in achieving the overall vision of a more active, vibrant waterfront that is home to a much greater mix of residents, businesses, and accessible public spaces on beautiful Lake Michigan. The revitalization of parcels within the target area and the success of developments such as Bay Marine's Yachting Center will create an assemblage of shovel-ready land adjacent to a new lakefront business with proven success. This demonstration of how engineering and institutional controls are used to address unique site conditions will provide investors with an example of successful redevelopment on impaired property, that will create additional development momentum.

1.c Strategy for Leveraging Resources (8 Points)

1.c.i. Resources Needed for Site Reuse (5 Points)

Not only will funds from the brownfield multi-purpose grant aid in the assessment and remediation of Waukegan Port District Harbor sites, but they will also support further development of infrastructure and natural resource amenities. The latter will be funded by other grant sources like USEPA GLRI, IDNR, USFWS, and funding from private developers that are incentivized by both Waukegan TIFs and public-private cost-sharing opportunities.

By addressing the initial hurdles of assessment and remediation to bring lakefront Brownfield sites to "shovel ready" status, the Waukegan Port District will remove daunting environmental obstacles to development and increase the sites' appeal to private investors.

It is also important to recognize that this Waukegan Port District Harborfront brownfield site immediately adjoins an ***Opportunity Zone***, as defined in the Tax Cuts and Job Act of 2017. The tax benefit created by the new Opportunity Zone legislation is "designed to spur economic development and job creation by encouraging long-term investments in economically distressed communities nationwide," according to the Treasury. "This incentive will foster economic revitalization and promote sustainable economic growth, which was a major goal of the Tax Cuts and Jobs Act," said Secretary Steven T. Mnuchin. It is anticipated "that \$100 billion in private capital will be dedicated towards creating jobs and economic development in Opportunity Zones." This is important leverage in the harbor front area of the Waukegan Port District.

1.c.ii Use of Existing Infrastructure ((3 Points)

Waukegan's urban lakefront has all infrastructure in place to attract private developer investment. The Harbor is located along major utility, transportation, and rail corridors, in addition to having a regionally renown marina that provides access to Lake Michigan. The City enjoys access to north-south highways, as well as public transportation and regional bike trails. These transportation connections link Waukegan to the broader metropolitan region and beyond, serving as assets to economic and community development. The Waukegan Harbor has an over 100-year history of use as major industrial grounds. These operations required substantial water, electric, natural gas, and sanitary system supply. The presence of existing infrastructure will provide key financial leverage for cleanup and external re-use funding. Metra

operates a commuter rail station within a short walk to Waukegan Harbor. This provides an excellent transportation-oriented development (TOD) opportunity.

2. COMMUNITY NEED AND COMMUNITY ENGAGEMENT (20 Points)

2.a. Community Need (12 Points)

2.a.i. The Community's Need for Funding (3 Points)

The Waukegan Port District is unable to draw on other initial sources of funding to carry out the assessment, remediation, planning, and redevelopment activities described herein. With the departure of manufacturing from Waukegan's former industrial harbor, the local economy has taken a toll in recent decades and Waukegan continues to need funding to help investigate, define, and cleanup negative environmental conditions on its lakefront. From the height of the Industrial Era through to the mid-20th century, production accounted for one of the largest employment sectors in Waukegan. Industry in Waukegan relied heavily on Harbor transport. This industrial legacy has left behind many contaminated properties along Waukegan's lakefront. The contaminated areas are adjacent to Waukegan's downtown and residential neighborhoods and leave negative connotations in the City and diminish its ability to attract developers. Waukegan has become victim of disinvestments that have led to a disproportionate number of vacant, undeveloped, and contaminated sites. Waukegan is not able to substantially draw on TIF funding due to industrial and commercial companies leaving the area and its low income residents who have a lower than average median household income of \$48,551 (<http://factfinder.census.gov/>).

By the end of the 20th century, three of the four major industries along Waukegan's lakefront closed. Fansteel, Johns Manville, and formerly the Outboard Marine Corporation began massive plant closures and layoffs from 1990 to 2000. Since industry's departure from Waukegan for cheaper labor markets, the local economy and tax base has suffered. These problems were exacerbated by a resurgence in Waukegan's population due to the attractiveness of suburban living¹. The City of Waukegan needs this grant to further incentivize people and businesses to move towards the lakefront and re-establish this area.

Majority of Waukegan's residents are a part of a racial or ethnic minority group. Majority of the Waukegan community is comprised of racial and ethnic minorities, 80.2% of the total population, and bears a disproportionate number of environmentally impaired sites from the former industrial uses making Waukegan a designated Environmental Justice community by USEPA.

	2010 Census Data		2015 Census Data		2017 Census Data	
Race	Number	%	Number	%	Number	%
Total Population	89,078	100.00%	88,570	100.00%	87,999	100.00%
Hispanic or Latino	47,612	53.40%	48,790	55.10%	48,746	55.40%
White	22,182	24.90%	19,107	21.60%	17,436	19.80%
Black or African American	15,286	17.10%	144,321	16.30%	14,964	17.00%
American Indian and Alaskan Native alone	869	1.00%	80	0.10%	142	0.20%
Asian alone	103	0.10%	4,246	4.80%	4,390	5.00%
Native Hawaiian and Other Pacific Islander alone	26	0.00%	18	0.00%	19	0.00%
Some other race alone	577	0.60%	415	0.50%	475	0.50%
Two or more races	1,358	1.50%	1,458	1.60%	1,827	2.10%

Census Bureau (<http://factfinder.census.gov/>)

With Brownfield Multipurpose Grant funding secured, these projects will be affordable for the Port District and the greater Waukegan community it serves.

2.a.ii. Threats to Sensitive Populations (9 Points)

2.a.ii.(1). Health or Welfare of Sensitive Populations (3 Points)

This BF Grant will assist in Waukegan's efforts to improve the living conditions of sensitive populations (African Americans, Hispanics, individuals with incomes below the poverty rate, children under 5 years, seniors over 65 years, single mother families and obese persons) living in Waukegan and that frequent our lakefront for recreation. Minority population account for 80.2% of the total population of Waukegan while 17.8% of the total population live below the poverty line, which is 5.2% higher than the state average (<http://factfinder.census.gov/>). Also, 21.1%¹ of people in the City of Waukegan under 65 years old do not have health insurance. which is 10.9% higher than the national average. Low income and minority populations have difficulty avoiding adverse environmental exposures and an absence of health insurance can exacerbate problems by reducing access to preventative health care due to inflated medical bills. The following table details potential contaminants of concern (COC) at the Waukegan Harbor site and their potential health effects:

COC	Potential Health Effect
Heavy Metals	Decreased intellectual development of infants and children; effects to gastrointestinal, renal and reproductive systems of children and adults.
BTEX	Lassitude, dermatitis, giddiness, headache, liver and kidney damage, narcosis and coma
PAHs	Cataracts, kidney and liver damage, jaundice and cancer
http://www.cdc.gov/niosh/npg/	

Defining the nature and extent of contamination present at the Waukegan Harbor will help the Port District achieve its goal of redeveloping the Waukegan Harborfront. Land that has long been underutilized will be opened-up for safe, enjoyable lakefront experiences. Private development will return to replace the lost manufacturing legacy on the Harbor. Lenders and investors will understand the environmental conditions defined by the Assessment Grant work. The uncertainty of environmental conditions on these parcels serves as a significant road block for investment or private acquisition. Residents and visitors in the nearby area will benefit from a decrease in exposure to potentially harmful contaminants and the use and enjoyment of a transformed industrial property on Lake Michigan. Residents will no longer observe "Keep Out" fenced off property, but instead will benefit from improved beach and natural areas due to increased interest from developers to investment and conservation on the Lakefront. The assessment funds will define environmental conditions and become an important step to eliminating the existing threat to human health, ecosystems, and the environment while also qualifying the Site as "development- and investment-ready."

2.a.ii.(2). Greater Than Normal Incidence of Disease and Adverse Health Conditions (3 Points)

Waukegan residents have a high probability of living in blighted neighborhoods with elevated cancer and asthma risks due to the area's industrial legacy. Given the large amount of uninsured people, affected residents are less likely to have health insurance and would be less likely to be able to afford medical attention should they get sick from exposure. Using Multipurpose Brownfield Grant funding will help mitigate threats to human and environmental health and provide data to attract developers to support redevelopment and preservation of

greenspace through creation of trails, paths, and parks could potentially combat obesity by promoting active lifestyles.

2.a.ii.(3). Economically Impoverished/Disproportionately Impacted Populations (3 Points)

Waukegan's population is 87,729 according to the 2013-2017 Census estimates. Waukegan's poverty rate is 17.8%, well above the State and National poverty rates of 12.6% and 12.3%. Although Waukegan is the ninth largest city in Illinois, the majority of the residents, 80.2% in the Target Area, are minorities. Recent Census data demonstrates that majority of Waukegan's residents, 55.4%, are of Hispanic or Latino ethnicity (<https://www.census.gov/quickfacts/table/>).

Historically, the Waukegan Lakefront was utilized for industry and manufacturing and raw material processing, the majority of which have all been vacated due to industry jobs leaving and highway transport replacing shipyard movement into Waukegan Harbor. This has left a disproportionate number of blighted Brownfield and Superfund sites along the lakefront including the former Diamond Scrapyard and other cluster properties within the Waukegan Harbor. Negative perceptions and brownfield stigma from the former heavy industrial sites have made it difficult to attract developers to redevelop the vacant environmentally impaired sites that conform with Waukegan's Master Plan. Brownfield sites have not generated tax revenue or tax increment to overcome these conditions and allow Waukegan to incentivize development. Industry has not returned. Waukegan lakefront properties cannot be used as collateral for business or construction loans due to perceived and real *recognized environmental conditions*.

The redevelopment of the Waukegan Harbor promotes economic stimulation in the City of Waukegan by increasing home and property values that typically occur after redevelopment of brownfields sites. From the 2015 American Community Survey 1-Year Estimates, the current median value of owner-occupied housing units in Waukegan is \$120,300 which is significantly lower than the Illinois median of \$179,700 (<http://factfinder.census.gov/>). Redevelopment efforts will increase the median value and will also support the City of Waukegan's efforts to increase quality employment by supplying jobs and expanding the city's tax base as stated in the 2003 Waukegan Master Plan for the Lakefront. This remediated property will also lead to community benefits such as utilizing the Lakefront property for green areas, parks and other recreational areas to entice people to be more locally active and promote a healthier lifestyle. Remediating and redeveloping the Waukegan Harbor area plays a big role in revitalizing the City of Waukegan's Lakefront and promoting new developments along Lake Michigan. In partnership with the Port District, the City will require developers to present plans that promote transit oriented residential and retail areas that become attractive to dwellers of all ages. The attractiveness of the lakefront living and ease of commuting to downtown Chicago or Milwaukee and other cities along the lakefront will allow for Waukegan to attract new residents and lifestyles and grow its tax base.

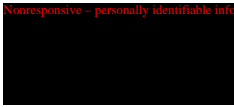
An improved, redeveloped lakefront will create significant new jobs, both seasonal and permanent for all ages with appeal to all of Waukegan's diverse populous cultures. Students will work at the marina, on beaches, and on summer maintenance crews. Festivals will bring performers, concession vendors, and entrepreneurs to the improved, highly populated and accessible lakefront. Seniors will have a destination and an opportunity to work part-time. Businesses throughout Waukegan will expand and hire to support the larger population of recreational visitors to the Harbor front/Lakefront. The economic benefit will flow to construction contractors, transportation vendors, refuse haulers, restaurant suppliers, marina suppliers, fuel deliveries, etc.

2.b. Community Engagement (8 Points)

2.b.i. Community Involvement (5 Points)

The Waukegan Port District has develop partnerships to make decisions with respect to site cleanup and future redevelopment strategies that represent the diversity of community interests. These partnerships include the following:

List of Project Partners

<i>Partner Name</i>	<i>Point of Contact</i>	<i>Specific role in the Project</i>
Waukegan Park District	Jay Lerner; 847.360.4721;	Waukegan Park District will work with the Port District to ensure the portions of the Site can be transformed into viable recreational space for residents. The cleanup and redevelopment of the Site directly benefits the Waukegan Park District city-wide objective.
The City of Waukegan	Noelle Kischer-Lepper; 847.599.2514; Noelle.Kischer-Lepper@waukeganIL.gov	The City of Waukegan is the local governmental body responsible for serving the community by protecting life and property, preventing crime, enforcing laws, and maintaining order. Site cleanup and redevelopment directly benefits the City and their partnership will contribute to the successful implementation of pertinent Master Plans.
Waukegan Harbor Citizen's Advisory Group	Waukegan Harbor CAG Box 297 Waukegan, IL 60079; 	The Waukegan Harbor Citizen's Advisory Group is comprised of local citizen's and business members that meet routinely to provide updates to Waukegan cleanup and restoration sites. This group provides important community feedback and represents stakeholder interests.
College of Lake County Workforce and Professional Development Program	847.543.2615; wpdi@clcollinois.edu	This group provides services to individuals and small business in areas leadership, finance, operations, logistics, professional development, and marketing to ensure success of all business ventures that could occur at the Site after remedial work has been completed. WPD will invite student involvement from CLC's environmental curriculum program as Brownfield Assessment work commences.

2.b.ii. Incorporating Community Input (3 Points)

The Port District has developed a plan to involve and engage the community throughout the duration of assessment and cleanup work, the future cleanup and the redevelopment strategy. The Port District and Waukegan Harbor CAG will continue engaging the public by hosting quarterly public information meetings. The first public meeting will divulge the EPA Brownfields process to ensure the community is aware of the work required to be completed and how it will affect them. This will be a way to engage with residents and initiate interactive communication while providing pertinent information and feedback. The quarterly public

meetings will also serve as a public forum to request comments or questions regarding public input and health concerns. Once assessment work has commenced an additional public meeting will be held to discuss any input and health concerns. Technical staff will be available to discuss the meaning of technical information to the public. Materials will be translated and provided to accommodate Spanish speaking populations as needed. Any other special needs will be accommodated during the meetings should they arise.

The Port District will also use a multimedia approach to advertise quarterly meetings, encourage community involvement, and to facilitate response to questions, comments, or concerns as they arise. The Port District's website and Facebook page will be used to communicate instant news about any cleanup work and the dates/times of public meetings.

3. TASK DESCRIPTIONS, COST ESTIMATES, AND MEASURING PROGRESS (35

Points)

3.a. Description of Tasks and Activities (15 Points)

3.a.i. Project Implementation (8 Points)

Waukegan Port District has the land parcels prepared for assessment work to begin in 2019 immediately after program award and grant agreements. We will follow procurement and contracting requirements to engage an experienced firm of environmental professionals. The Port District's Board has already been briefed on the scope of the grant and fully supports the Port District's Staff implementation. The sites are fully prepared for environmental work to begin. We have archived older drawings of the facilities so that we can tailor our environmental work plans to known recognized conditions and "hot spots."

An updated Phase I Environmental Site Assessment will be performed following *All Appropriate Inquiry* requirements of USEPA. We will then perform a site wide investigation to ensure that data is collected to obtain a future comprehensive NFR letter for the Site. This will provide a high level of land value and assurance to subsequent lenders and development investors.

The site will be enrolled in Illinois EPA's Site Remediation Program (SRP) so that we receive IEPA review and evaluation services that will lead to approved Site Investigation Reports and Remedial Action Cleanup Plans. Various USEPA deliverables will be prepared including a Project QAPP/Field Sampling Plan.

The Port District will work with experienced contractors to develop a comprehensive Phase I & II investigation plan. Specialized environmental drillers and analytical testing labs will be engaged to work as subcontractors to the environmental professionals. We envision a site grid pattern with survey controls established across the site. Soil borings and groundwater monitoring wells will be installed on the grid nodes. As contaminants are delineated, grids will become tighter spacing until sufficient delineation is completed. This delineation will provide the basis for remedial action planning and cleanup cost determination.

At the 24 E. Water St. parcel, the site will be enlisted in the IEPA Site Remediation Program. Additional updated Site Investigation and pre-remedial sampling and analysis will be conducted to refine a remedial action strategy. Building demolition will be conducted. Highly contaminated soil and groundwater will be removed, treated and disposed at off-site licensed Treatment, Storage, and Disposal Facilities (TSDFs) to prevent further migration to the Harbor or Lake Michigan. Vertical and horizontal engineered barriers will be constructed as pathway exposure exclusions. Institutional controls will be utilized. Vapor intrusion controls will be specified for any future building construction. This parcel is a key gateway to the Port District's main entry.

3.a.ii. Task/Activity Lead (4 Points)

The Port District will lead the procurements following grant award.

3.a.iii. Cost Share (3 Points)

Cost share (\$40,000) will be provided from the Port District's general fund and in-kind services for community relations.

3.b. Cost Estimates and Outputs (15 Points)

3.b.i Cost Estimates (10 Points)

Budget Categories		Project Tasks (\$)				Total
		Task 1- Phase I ESAs	Task 2- Phase II ESAs	Task 3- Cleanup Plans/Community Relations	Task 4- Cleanup- 24 E. Water St.	
Direct Costs	Personnel			\$20,000		\$20,000
	Fringe Benefits			\$2,000		\$2,000
	Travel					
	Equipment					
	Supplies					
	Contractual	\$30,000	\$320,000	\$45,000	\$383,000	\$778,000
	Other					
Total Direct Costs						
Indirect Costs						
Total Federal Funding		\$30,000	\$320,000	\$67,000	\$383,000	\$800,000
Cost Share				\$22,000	\$18,000	\$40,000
Total Budget		\$30,000	\$320,000	\$89,000	\$401,000	\$840,000

3.b.ii. Outputs (5 Points)

See below.

3.c. Measuring Environmental Results (5 Points)

Tracking Progress - The Waukegan Port District's goal for the Waukegan Harbor is to obtain an IEPA NFR letter for multiple properties within the Waukegan Harbor Area, allowing residential, mixed uses, and open space recreational land use on the Harborfront properties. The success of this Multi-use Grant will be tracked and evaluated throughout the grant's performance period, which will then lead into the cleanup of the Site. The Port District will track the progress of the Grant by measuring the following:

OUTCOMES:
1) Soil and groundwater environmental conditions will be defined and delineated throughout the property.
2) Petroleum and hazardous substance concentrations will be evaluated vs. risk-based human health and environmental standards defined by IEPA.
3) The need for remediation or corrective action/containment will be known.
4) Community Education and Input

5) Petroleum-contaminated land at 24 E. Water will be restored as measured by tons of soil removed, gallons of groundwater restored, exposure pathways eliminated.

OUTPUTS:

- 1) IEPA approved Site Investigation Reports
- 2) Known areas and cost of cleanup at the properties
- 3) Number of meetings conducted to educate and inform the public.
- 5) Amount of funding leveraged for the site.
- 6) Developer interest when environmental conditions defined.
- 7) Private sector investment in the property.

Progress towards achieving these outcomes and outputs will be reported to USEPA as part of the required quarterly and annual progress reports. As appropriate, outputs and outcomes will be reported using ACRES.

4. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE (15 Points)

4.a. Programmatic Capability (9 Points)

4.a.i. Organizational Structure and Experience (5 Points)

The Port District has and continues to develop an organization and management plan that will provide the necessary internal and external resources and specialized experience to implement its environmental investigations and assessments, thereby integrating the management of environmental conditions into the overall harborfront redevelopment strategy. The City will manage this project as it has numerous successful projects using the Harbor Master as the Grant Project Manager in combination with procurement of specialized environmental consultants/contractors to implement the Assessment work. The Grant Project Manager will also work closely with the Staff Accountant on details of grant administration.

Mr. Joe Seidelmann, Harbormaster, has held this position at Waukegan for the past 2 years. He manages a \$1.7 million annual budget. Mr. Seidelmann typically manages one to two grant projects annually administered from agencies including IDNR, US Fish and Wildlife, and NOAA funded projects. In 2015-16, Mr. Seidelmann was the Project Manager for a “Harbor Master Plan” planning grant, a \$200,000 grant administered by IDNR Coastal Management Division. The successful grant is resulting in a dynamic, progressive plan for improved public access and use of the Waukegan Harbor properties while incorporating sustainable, green infrastructure measures and resultant environmental benefits along Lake Michigan.

Waukegan Port District has a system in place to ensure the timely and effective expenditure of these USEPA funds and timely quarterly reporting demonstrating achievement of the project goals and objectives. Waukegan Port District has a demonstrated record of effectively utilizing local, state and federal grants and leveraging to implement Lake Michigan lakefront and Harbor improvement projects.

4.a.ii Acquiring Additional Resources (4 Points)

In-kind services from the Port District will be utilized to insure the community residents and other stakeholders are well informed and that their concerns are fully addressed throughout the project. The property’s lakefront and harbor setting provide the attraction to leverage by its location and development amenities once the uncertainty of brownfield conditions is defined and overcome. Unlike rural greenfield sites, Waukegan’s urban lakefront has all infrastructure in place to attract private developer investment. This will be key financial leverage for cleanup and re-use funding. These surface infrastructure plans are already within Waukegan’s Harbor Master Plan which will be very influential during the grant selection process. We will continue

our successful use of Illinois DNR funding obtained from NOAA and USFWS and USEPA GLRI funds for urban watersheds and sustainable shorelines. The Waukegan Port District is also a member of the Illinois Ports Association which works collaboratively with 19 other Illinois Ports to share resources, make group-based procurements

4.b Past Performance and Accomplishments (6 Points)

4.b.iii. Never Received Any Type of Federal or Non-Federal Assistance Agreements (3 Points)

The Waukegan Port District has received limited Non-Federal Assistance at Waukegan Harbor. In partnership with the State of Illinois Department of Natural Resources, the Port District commissioned the preparation of a Waukegan Harbor Master Plan focused on enhancing land use, environmental stewardship, and economic development of the properties within Waukegan Harbor. The plan was completed in 2017 to guide future development activities and prioritize future projects based on a thorough site inventory and community involvement. It identifies actionable and implementable steps to achieve the transformation of Waukegan Harbor into a more accessible resource, while encouraging responsible commercial use and enhancing the creation of jobs and sustainable economic activity. The plan considers existing environmental conditions and identifies areas where remediation may be necessary, while enhancing access to the waterfront through increased private investment. The Master Plan outlines a strategy to make the rest of the Port District property more attractive and viable for private investment by building on the success of early phase developments such as Bay Marine's Chicago Yachting Center and its associated, in-water liftwell improvements, as well as proposed residential projects near the marina.

As these elements take shape, the overall visual character and vibrancy of the waterfront will improve as more residents call the waterfront home and activate the waterfront around the clock, year-round. As each project is implemented, the adjacent parcels become more attractive, which establishes a clear sense of inevitability in the achievement of the long-term vision. As each project is implemented, values increase on adjacent parcels and more investment takes place in a virtuous cycle that has played out in many successful waterfront communities across the Great Lakes. These improvements will create a mix of uses and will be implemented utilizing low impact development strategies to continue the decades long effort to transform Waukegan Harbor into a thriving, mixed-use working waterfront where everyone is welcome.

MULTIPURPOSE GRANT

III.B. THRESHOLD CRITERIA FOR MULTIPURPOSE GRANTS

1. Applicant Eligibility

The Waukegan Port District (the Port District) is a political subdivision, body politic and a municipal corporation created in 1955 by Legislative Act 70 ILCS 1865. The Port District is an eligible entity for the U.S. Environmental Protection Agency's Brownfields Cleanup Grants as a "General Purpose Unit of Local Government" as presented in Section III A. of the Guidelines for Brownfields Multipurpose Grants. See **Attachment A** for documentation.

2. Community Involvement

The Waukegan Port District works extensively to create and deploy comprehensive plans for engaging the community, collaborating with stakeholders, forming partnerships, and maintaining community involvement. Accordingly, the Port District collaborates with community groups, organizations, local businesses, and large corporations regularly to ensure that all stakeholder needs are satisfied. These groups include but are not limited to: Waukegan Park District, City of Waukegan, Waukegan Harbor Citizen's Advisory Group, College of Lake County, Lake County Forest Preserve District, Lake County Stormwater Management Commission, and the Greater Waukegan Development Coalition,

The strategy for involving the community in the planning process includes:

- Reaching out to new stakeholders, as well as those identified in the 2017 Waukegan Harbor Master Plan, including: City leaders and staff, business leaders, private sector enterprises, and active community organizations such as the Citizens Action Group and the Greater Waukegan Development Corporation.
- Hosting community meetings at the offices of the Greater Waukegan Development Corporation to educate stakeholders and partners on contaminants of concern at local brownfields sites, remediation plans, management activities, and end-use plans.
- Interviewing stakeholders at public events to define their interest, priorities, and goals.
- Nurturing partnerships with new developers such as Bay Marine to create opportunities to improve public perception and increase recreational access to the harbor.

The plan for communicating the progress to the citizens includes:

- E-mail invitations to stakeholders, attendees from prior public meetings, and contacts made from e-mailed suggestions for the Waukegan Harbor Master Plan 2017
- Radio announcements in English on Belvidere Broadcasting and NextMedia Radio and in Spanish on WKRS
- News releases and engagement with local media outlets for news coverage on Port District projects.
- Distributing printed publications in English and Spanish at Community Churches, the Waukegan Public Library, Community Centers, and the Catholic Charities Senior Center.

3. Target Area

The Port District's Harbor properties that make up the target area are bounded to the east by Waukegan Harbor. Multiple Marine-owned warehouses along with LaFarge North America bound

the property to the north. The property is bounded to the east by Pershing Road and the Elgin, Joliet, and Eastern (now CN RR) railroad tracks and right-of-way. The Site is bounded to the south by Lake Michigan shoreline.

4. Affirmation of Brownfield Ownership

The Waukegan Harbor is owned, controlled, and managed by the Waukegan Port District. Expansion, redevelopment, and reuse of properties in the target area is complicated by the presence of contamination related to 100 years of industrial use. The Harbor was transferred to the Waukegan Port District from the City of Waukegan when the Port District was created in 1955. In 1980, oil and surface water from an offsite and upgradient pit system in fueling and turntable area discharged through a 6-inch line to Dugan Street Sewer. Insurance companies subsequently confirmed that the oil was likely carried from a local orphan railyard site. Inability to identify the responsible party rendered complete cleanup impossible, and unfortunately resulted in contaminant migration along the harborfront and southern Waukegan lakefront. Upon purchase of the 24 East Water Street property in 2017, the Port District conducted environmental site assessments that revealed BTEX and PNA contamination remains on site.

These properties are: a) not listed or proposed for listing on the National Priorities List, (b) not subject to unilateral administrative orders, court orders, administrative orders of consent, or judicial consent decrees issued to or entered into by parties under CERCLA, and (c) not subject to the jurisdiction, custody, or control of the United States Government.

5. Required Cost Share

The Waukegan Port District will meet the \$40,000 match requirement with contributions from the Waukegan Port District Reserve Fund. Revenue that supplies the Fund is generated from leasing agreements and slip rental fees.

Application for Federal Assistance SF-424

* 1. Type of Submission:

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

* 2. Type of Application:

- ☒ New
☐ Continuation
☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

01/31/2019

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

Waukegan Port District

* b. Employer/Taxpayer Identification Number (EIN/TIN):

366009167

* c. Organizational DUNS:

9306009940000

d. Address:

* Street1:

55 South Harbor Place

Street2:

* City:

Waukegan

County/Parish:

Lake

* State:

IL: Illinois

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

600855619

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Mr.

* First Name:

Joe

Middle Name:

* Last Name:

Seidelmann

Suffix:

Title:

Harbormaster

Organizational Affiliation:

Waukegan Port District

* Telephone Number:

1(847)244-3133

Fax Number:

* Email:

jseidelmann@waukeganport.com

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Environmental Protection Agency

11. Catalog of Federal Domestic Assistance Number:

66.818

CFDA Title:

Brownfields Assessment and Cleanup Cooperative Agreements

* 12. Funding Opportunity Number:

EPA-OLEM-OBLR-18-08

* Title:

FY19 GUIDELINES FOR BROWNFIELDS MULTIPURPOSE (MP) GRANTS

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

The Waukegan Port District's Multipurpose Grant: Reclaiming the Lakefront After 100 Years of Industrial Use

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="800,000.00"/>
* b. Applicant	<input type="text" value="40,000.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="840,000.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on
- ☒ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☐ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes ☒ No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:

Middle Name:

* Last Name:

Suffix:

* Title: * Telephone Number: Fax Number: * Email: * Signature of Authorized Representative: * Date Signed: